

STEEL INGOT OUTPUT AT 50 P. C. CAPACITY

Current Rate of Production
Compares With 70 P. C.
Maximum in June.

PRICES STILL ADVANCING

Increased Costs Passed on to
Buyers and Are Likely
to Go Higher.

Special Dispatch to THE NEW YORK HERALD.

PTTSBURGH, Sept. 2.—A change has been wrought in the complexion of the pig iron and steel markets by the withdrawal of efforts to hold prices down, and the advancing influences are being allowed to prevail. Manufacturers find it impossible to absorb the effects of the labor situation, and are passing increased production costs on to the buyers. Purchasers of steel products are showing a conservative spirit, but are forced to make contracts, in many cases for nearby deliveries, and are simply paying prices asked. It is necessary to sell at a profit, but especially, as they are likely to advance further before they decline, consideration of that matter is left for a later date.

The usual market on bars, shapes and plates is \$2.25, or about 70 per cent. over the minimum of early in March. Plates for prompt shipment are bringing \$2.50. The United States Steel corporation is able to sell at \$2.25, but can offer only late and uncertain deliveries, being already well sold up. In pipe the Steel Corporation has followed the advance of independents, printing its usual cards, while in wire products there seems to have been a similar following of independent advances without announcement.

A number of the steel companies with whom the committee that has signed the wage scale of the United Mine Workers expect to begin increasing their steel production within the next ten days or so, but at some points production is likely to continue decreasing. It is unsafe to make any prediction as to when steel production will stop, but it is increasing to an extent worth considering. Production of coal and coke in the Connellsville region has been increasing in the past week or ten days, but not so rapidly as was expected when the heavy wage advance was announced.

Car Shortage Is Expected.

Steel ingot production is now at a rate of about 50 per cent. of capacity, as against 70 per cent. for the maximum rate. This is a cause for alarm, but doubtful whether such a rate will be reached again this year, as car shortage is regarded as certain to develop before a full movement of coal is attained.

Sheet consumers were hesitating a few weeks ago to place tonnage, but their disposition has changed in the past few days with the placing of tonnage in the steel mills in excess of capacity. Independent prices on black sheets range from \$4.00c. to \$5.00c. and on galvanized from \$4.00c. to \$5.00c. with good sized orders being entered at the minimum prices. The maximum figures, however, have applied on a fairly good run of orders, although the tonnage involved is not particularly large. The leading plate makers continue to quote \$3.35c. on black sheets and \$4.35c. on white sheets with full finished automobile sheets held at \$4.75c., although the latter independent makers are asking \$3.30c. ton higher. Blue annealed sheets are firm at 2.50c. to 2.65c., the former indicating the Steel Corporation's level and the latter that of the independents.

The sheet market is strong and will continue in view of the price that makes it attractive to buy. Fourth quarter sheet bars, said to be in the neighborhood of \$40. This depends on the resumption of operations at certain coal mines to relieve the shortage of semi-finished steel. The sheet mills in this district and the valleys are busy, and shipments are very fair, but mills say suitable railroad equipment is becoming scarcer, so that consumers are urging shipment in some sort of car that will bring them sheets. And that is the way some of them are getting material most urgently needed.

The Plate Demand Slacks.

A slight decrease in plate business has been noticed this week. Several inquiries are out, the general run of these involving only 10,000 base boxes. Some independent producers can see production through September, but particularly anxious to consider business beyond the present until they can get a line on what production costs will be. The price of \$4.75 on production plate generally is firm, but some doubt exists as to whether this price will be continued despite the fact that there is some slackening noticed in the demand.

Whether or not the resumption of a few independent steel companies' coal mining in this district after a long period of inactivity is a matter of conjecture, but already independent plate makers are endeavoring to get prices on higher ground in view of the fact that their next supply of sheet bars will be considerably higher than their most recent purchases. Stock tin plate is available at \$4.50, although some makers will not charge the same amount from the \$4.75c. price. Operation is slightly lower than last week, being in the neighborhood of about 60 per cent.

The leading pipe interest—National Tube Company—has brought its prices on all grades of pipe up to those of the independents, equivalent to an advance of \$6 a ton on standard black pipe and \$4 a ton on white. The price of heavy duty goods and line pipe also were increased in proportion. The decrease in crude oil prices, owing to large production, has led oil producers to turn their product into storage, and while demand for oil country goods has been offset by increased demand for line pipe, the latter has not been able to withstand the high cost of pipe.

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Pig Iron Is Scarce.

The complexion of the pig iron market has changed considerably. The iron has become so scarce that rather fancy prices are generally expected to rule, for the prospects are that production will be resumed very slowly. On sales of small lots, bessemer pig iron has advanced in the past week from \$30 to \$32, valley. Basic iron presents no definite market. The last indicated sales were at \$22, but it is not clear if that is certain that none could be had at that price. Foundry appears to be quoted at \$22, and malleable iron at \$22 also.

Prices of cold punched or hexagon nuts have been advanced from \$4.50 to \$4 off list, and small rivets have been advanced to 70 off list, for less than carload quantities. While business appears on a firmer basis at present, no greater demand for nuts, bolts and rivets exists than has prevailed during the past two months. Unsatisfied prices on semi-finished materials have given rise to the assertion that prices in the nut, bolt and rivet market may change overnight at any time.

BONDS IN STOCK EXCHANGE

SATURDAY, SEPTEMBER 2, 1922.

| 1922. | 1921. | 1920. |
|---------------|---------------|---------------|
| \$4,372,000 | Closed | Closed |
| 2,949,755,000 | 2,064,527,000 | 2,488,704,000 |

Day's sales Year to date.

RANGE OF LIBERTY BONDS.

| Closing— | Sales | Open. | High. | Low. | Last. | Net Chg. |
|-------------------------------|--------------------------|--------|--------|--------|--------|----------|
| Bid. Asked. Yield, in \$1,000 | 2,488,704,000 | 100.70 | 100.70 | 100.66 | 100.65 | -12 |
| 100.64 100.74 2.45 | 49 24s (1922-47) | 100.70 | 100.70 | 100.66 | 100.65 | -12 |
| 100.14 100.60 3.92 | 1st cv. 4s | .. | .. | .. | .. | .. |
| 100.18 100.28 3.95 | 2d cv. (1927-42) | .. | .. | .. | .. | .. |
| 100.40 100.44 4.21 | cv. 4s (1932-47) | 100.50 | 100.52 | 100.32 | 100.38 | -08 |
| 100.18 100.24 4.21 | 5 1st cv. 4s reg. | 100.40 | 100.40 | 100.40 | 100.40 | -12 |
| 100.24 100.28 4.19 | 113 2d cv. 4s (1927-42) | 100.14 | 100.28 | 100.14 | 100.28 | +02 |
| 100.00 101.20 4.21 | 2d cv. 4s (1927-42) | 100.02 | 100.02 | 100.02 | 100.02 | -22 |
| 100.34 100.40 4.21 | 211 4th cv. 4s (1933-38) | 100.34 | 100.40 | 100.30 | 100.34 | -06 |
| 100.70 100.74 3.81 | 3 4th cv. 4s reg. | 100.16 | 100.20 | 100.18 | 100.20 | -06 |
| 100.33 100.34 3.77 | 28 Vic. 4s (1922-23) | 100.70 | 100.70 | 100.68 | 100.68 | -02 |
| 100.00 100.00 4.21 | 95 V. 4s (22-23) called | 100.28 | 100.30 | 100.28 | 100.28 | 00 |
| 100.34 100.40 4.21 | 2 V. 4s reg. called | 100.16 | 100.16 | 100.16 | 100.18 | -02 |

Argentines 27 Brazil Tls 100.00 102 coffee in \$2 f 7s 1944

Argentina 45 Brazil Tls 100.00 102 certificates

Belgium 50 104 Bordeau 82 104

Belgium 104 104 Canada 29 104

Belgium 104 104 Denmark 104 104

Belgium 104 104 France 88 1945

Belgium 104 104 Germany 104 104

Belgium 104 104 Holland 104 104

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